

FLASH 2000-06

DATE:

March 13, 2000

TO:

Procurement Directors

FROM:

Office of Procurement and Assistance Policy, MA-51

Office of Procurement and Assistance Management

SUBJECT: Notice of Proposed Rulemaking: DEAR 970 Re-write

SUMMARY:

The Federal Register today published the proposed DEAR 970 Re-write rulemaking (65 FR 13418). This proposed rule would implement many of the recommendations made by the Office of Procurement and Assistance Policy in its review of the policies and procedures governing the award and administration of M&O contracts. The rule proposes to: streamline the policies,

procedures, provisions and clauses applicable to management and operating contracts; eliminate coverage that is obsolete or which

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duplicates the FAR and retain only that coverage which either implements or supplements the FAR for the award and administration of the Department's M&O contracts; add several new clauses; and, amend existing clauses to promote more uniform application of award and administration policies.

The NOPR can be downloaded from the Federal Register's website at: http://www.gpo.gov/su_docs/aces/aces/aces/40.html

Written comments (3 copies) must be submitted no later than May 12, 2000, and should be addressed to: John R. Bashista, Office of Procurement and Assistance Management, Office of Procurement and Assistance Policy (MA-51), Department of Energy, 1000 Independence Avenue SW., Washington, D.C. 20585. For further information, contact John R. Bashista at 202-586-8192, or via e-mail at: john.bashista@pr.doe.gov

In the near future, the Department expects to issue a companion rulemaking to eliminate the majority of DOE-unique cost principles in favor of standard Federal Acquisition Regulation provisions, as well as updated rules on contractor financial management. We intend to finalize both rules together, thereby accomplishing a complete republication of DEAR 970. Questions regarding the Cost Principles Rule should be addressed to Terry Sheppard at (202) 586-8193, or via e-mail at Terry.Sheppard@hq.doe.gov

wendolyn S. Cowan

Director

cc: PPAG Members